

## Message Text

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15

ORIGIN ARA-04

INFO OCT-01 ISO-00 /005 R

66616

DRAFTED BY: ARA/BR JSLATTERY

APPROVED BY: ARA/BR R J BALLANTYNE

----- 029120

R 222035Z AUG 74

FM SECSTATE WASHDC

TO AMCONSUL RIO DE JANEIRO

INFO AMEMBASSY BRASILIA

UNCLAS STATE 180491

FOLLOWING REPEAT ACTION BUENOS AIRES BOGOTA CARACAS  
MEXICO OF 20 AUG 74

QUOTE UNCLAS STATE 180491

FOLLOWING REPEAT SECSTATE 180491 ACTION CAIRO TEL AVIV  
TEHRAN LISBON DACCA BRASILIA SANTIAGO SANTO DOMINGO  
ISLAMABAD LIMA INFO KARACHI 16 AUGUST 1974. QUOTE:

UNCLAS STATE 180491

TAGS:EIND ETRD

SUBJECT: FERROUS SCRAP EXPORTS: THIRD QUARTER CONTINGENCY  
RESERVE ALLOCATIONS

1. USG HAS MADE THIRD QUARTER 1974 CONTINGENCY RESERVE  
FERROUS SCRAP ALLOCATIONS TO FOLLOWING COUNTRIES:

COUNTRY: TOTAL ALLOCATION: "TYPE A" ALLOCATION

|               |        |            |              |
|---------------|--------|------------|--------------|
| ANGOLA        | 10,000 | SHORT TONS | 10,000       |
| BANGLADESH    | 6,000  | " "        | 6,000        |
| BRAZIL        | 6,000  | " "        | 6,000        |
| CHILE         | 18,000 | " "        | NONE ALLOWED |
| DOMINICAN REP | 2,000  | " "        | 200          |

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EGYPT 20,000 " " 6,700

|          |        |   |   |              |
|----------|--------|---|---|--------------|
| IRAN     | 10,000 | " | " | 3,300        |
| ISRAEL   | 15,000 | " | " | 5,000        |
| PAKISTAN | 3,000  | " | " | 1,900        |
| PERU     | 10,000 | " | " | NONE ALLOWED |

2. ALL CONTINGENCY ALLOCATIONS WILL BE TO THE COUNTRY AND FOREIGN SCRAP BUYER(S) WILL BE FREE TO PLACE ORDERS WITH ANY US SCRAP EXPORTER, IRRESPECTIVE OF WHETHER SUCH EXPORT HAS HISTORY OF EXPORTING SCRAP TO DESIGNATED COUNTRY. HOWEVER, FOLLOWING RESTRICTIONS WILL APPLY: (1) WHERE CONTINGENCY ALLOCATION SHOWN IN PARA ONE IS 10,000 ST OR LESS, USG WILL NOT RPT NOT LICENSE MORE THAN HALF OF CONTINGENCY ALLOCATION TO ANY ONE US EXPORTER AND (2) WHERE CONTINGENCY ALLOCATION IS MORE THAN 10,000 ST, NO MORE THAN 5,000 ST WILL BE LICENSED TO ANY ONE US EXPORTER.

3. THERE WILL BE LIMITS ON AMOUNT(S) OF "TYPE A" (I.E., HIGHER GRADES OF SCRAP) THAT CAN BE ORDERED UNDER CONTINGENCY ALLOCATIONS, AS INDICATED IN PARA ONE. "TYPE A" SCRAP IS DEFINED IN EXPORT ADMINISTRATION BULLETIN 108, JAN 8, 1974 (SEE CIRCULAR A-697, JAN 24, 1974). "TYPE A" LIMITS DO NOT APPLY PRO-RATA TO COMPOSITION OF SCRAP PURCHASED FROM ANY SINGLE US EXPORTER, BUT RATHER TO OVERALL CONTINGENCY ALLOCATION TONNAGE.

4. IN COUNTRIES HAVING MORE THAN ONE BUYER OR USER OF SCRAP, HOST GOVERNMENTS AND/OR SCRAP BUYERS OR USERS WILL HAVE TO ESTABLISH PROCEDURES TO ENSURE THAT NO MORE THAN THE CONTINGENCY ALLOCATION AMOUNT IS ORDERED FROM US SCRAP EXPORTERS, SINCE USG WILL NOT RPT NOT LICENSE FOR EXPORT MORE THAN THE CONTINGENCY ALLOCATION AMOUNT DESCRIBED IN PARA ONE. COMMERCE DEPT PLANS TO HOLD ALL CONTINGENCY ALLOCATION EXPORT LICENSE APPLICATIONS UNTIL SEPT 23, 1974 APPLICATION FILING DEADLINE. WHERE APPLICATIONS FOR CONTINGENCY ALLOCATION LICENSES EXCEED COUNTRY'S TOTAL CONTINGENCY ALLOCATION, COMMERCE DEPT WILL CONSULT WITH FOREIGN GOVERNMENT TO DETERMINE WHICH CONSIGNEES SHOULD BE GIVEN PREFERENCE.

5. US EXPORTERS RECEIVING FOREIGN ORDERS UNDER CONTINGENCY UNCLASSIFIED

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ALLOCATIONS MUST FILE THEIR EXPORT LICENSE APPLICATIONS WITH COMMERCE DEPT ON OR BEFORE SEPT 23, 1974 FILING DEADLINE. LICENSE APPLICATIONS MUST BE SUPPORTED BY CONTRACT DATED AFTER AUG 15 BUT BEFORE SEPT 24. ANY THIRD QUARTER CONTINGENCY ALLOCATION TONNAGE REMAINING UNLICENSED WILL NOT RPT NOT BE LICENSED AT SOME LATER DATE. LICENSES WILL BE VALID FOR NINETY DAYS FROM DATE OF ISSUANCE, ENABLING ACTUAL SHIPMENT OF SCRAP DURING THIS NINETY DAY PERIOD.

6. ACTION ADDRESSEES REQUESTED TO BRING FOREGOING INFORMATION TO ATTENTION OF APPROPRIATE HOST GOVERNMENT AND/OR INDUSTRY OFFICIALS ASAP

UNQUOTE INGERSOLL  
UNQUOTE KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 AUG 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
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**Film Number:** n/a  
**From:** SECSTATE WASHDC  
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**Subject:** FERROUS SCRAP  
**TAGS:** EIND, ETRD  
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